

ANNEXES

1. Further reading
2. Example of laws that affect corporate directors
3. The German scorecard approach
4. Summary of General Motors' board guidelines
5. Comparison of selected corporate governance codes of best practice

ANNEX I. FURTHER READING

- American Law Institute. 1994. *Principles of Corporate Governance: Analysis and Recommendations*, Vol. 1 and 2. Philadelphia.
- Attig, Najah, Yoser Gadhoum, and Larry H. P. Lang. 2003. "Bid-Ask Spread, Asymmetric Information and Ultimate Ownership." Chinese University of Hong Kong.
- Beck, Thorsten, Asli Demirgüç-Kunt, and Vojislav Maksimovic. 2002. "Financial and Legal Constraints to Firm Growth: Does Size Matter?" World Bank Working Paper 2784. Washington.
- Berle, Adolf, and Gardiner Means. 1932. *The Modern Corporation and Private Property*. New York: McMillan.
- Black, Bernard S., H. Jang, and W. Kim. 2002. "Does Corporate Governance Matter? Evidence from the Korean Markets." Working paper. Stanford Law School, Stanford, Calif.; Korea University and KDI School of Public Policy and Management, Seoul.
- Brockman, Paul, and Dennis Y. Chung. 2003. "Investor Protection and Firm Liquidity." *Journal of Finance* 58 (2): 921–37.
- Claessens, Stijn. 2003. *Corporate Governance and Development*. Global Corporate Governance Forum, Focus 1. Washington.
- Claessens, Stijn, Simeon Djankov, and Tatiana Nenova. 2000. "The Separation of Ownership and Control in East Asian Corporations." *Journal of Financial Economics* 58 (1–2): 81–112.
- Conyon, M., and C. Mallin. 1997. "A Review of Compliance with Cadbury." *Journal of General Management* 22: 24–27.
- Dyck, Alexander, and Luigi Zingales. 2004. "Private Benefits of Control: An International Comparison." *Journal of Finance* 59 (2): 537–600.
- Easterbrook, F. H. 1997. "International Corporate Differences: Market or Law?" *Journal of Applied Corporate Finance* 9 (4): 23–29.
- Global White Page. 2004. *Global Corporate Governance Guide*. London.
- Gompers, P. A., J. Ishii, and A. Metrick. 2003. "Corporate Governance and Equity Prices." *Quarterly Journal of Economics* 118 (1): 107–55.
- Gorton, Gary, and F. H. Schmidt. 2000. "Class Struggle inside the Firm: A Study of German Codetermination." Discussion paper. National Bureau of Economic Research, Cambridge, Mass.
- Gregory, Holly. 2000. "The Globalization of Corporate Governance." *Global Counsel*. September and October 2000
- . 2002. *A Comparative Study of Corporate Governance Codes Relevant to the European Union and its Members*. Weil, Gotshal and Manges, New York. January.
- . 2003. *International Comparison of Selected Corporate Governance Guidelines and Codes of Best Practice: The Americas, Europe, Asia, Africa, Australia*. Weil, Gotshal and Manges, New York.
- Gugler, Klaus Peter, Dennis Mueller, and Burcin Yurtoglu. 2003. "Corporate Governance and Returns on Investment." Working Paper 06/2003. European Corporate Governance Institute, Brussels.

ANNEX I. FURTHER READING (CONT.)

- Hopt, Klaus J., Hideki Kanda, Mark J. Roe, Eddy Wymeersch, and Stefan Prigge, eds. 1998. *Comparative Corporate Governance*. Oxford: Oxford University Press.
- Joh, Sung Wook. 2003. "Corporate Governance and Firm Productivity: Evidence from Korea before the Economic Crisis." *Journal of Financial Economics* 68 (2): 287–322.
- Johnson, S., P. Boone, A. Breach, and E. Friedman. 2000. "Corporate Governance in the Asian Financial Crisis." *Journal of Financial Economics* 58 (1–2): 141–86.
- Kirkpatrick, Grant. 2004. "Introduction: Improving Corporate Governance Standards: The Work of the OECD and the Principles." In *Global Corporate Governance Guide*. London: Global White Page.
- LaPorte, Rafael, Florencio Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny. 1997. "Legal Determinants of External Finance." *Journal of Finance* 52 (3): 1131–50.
- . 1998. "Law and Finance." *Journal of Political Economics* 106 (6): 1113–55.
- Lemmon, M. L., and K. V. Lins. 2003. "Ownership Structure, Corporate Governance, and Firm Value: Evidence from the East Asian Financial Crisis." *Journal of Finance* 58 (4): 1445–68.
- Macavoy, Paul, and Ira M. Millstein. 2004. *The Recurrent Crisis in Corporate Governance*. Stanford, Calif.: Stanford Business Books.
- Millstein, Ira M. 1998. "The Basics of a Stable Global Economy." *Journal of Commerce*, November 30.
- Mitton, T. 2002. "A Cross-Firm Analysis of the Impact of Corporate governance on the East Asian Financial Crisis." *Journal of Financial Economics* 64 (2): 215–41.
- Morck, R., B. Young, and W. Yu. 2000. "The Information Content of Stock Markets: Why Do Emerging Markets Have Synchronous Stock Price Movements?" *Journal of Financial Economics* 58 (1–2): 215–60.
- Oman, C. 2003. *Corporate Governance in Development: The Experiences of Brazil, Chile, India and South Africa*. Washington: Center for International Private Enterprise/OECD.
- Rajan, Raghuran G., and Luigi Zingales. 1998. "Which Capitalism? Lessons from the East Asian Crisis." *Journal of Applied Corporate Finance* 11 (3): 40–48.
- Rossi, Stefano, and Paolo Volpin. 2003. "Cross-Country Determinants of Mergers and Acquisitions." Working Paper 3889. Centre for Economic Policy Research, London.
- Shleifer, Andrei, and Robert Vishny. 1997. "A Survey of Corporate Governance." *Journal of Finance* 52 (2): 737–83.
- Suleiman, N. 1992. *Corporate Governance in Islamic Banks*. Bahrain Islamic Bank.
- Sullivan, J. J., Rogers C. Kutcha Helbing, and A. Shkolnikov. 2003. *In Search of Good Directors: A Guide to Building Corporate Governance in the 21st Century*. Washington: Center for International Private Enterprise.

ANNEX 2. EXAMPLE OF LAWS THAT AFFECT CORPORATE DIRECTORS

Following is a list of laws and regulations that company directors in the United Kingdom must monitor to ensure that their companies remain in compliance with legal requirements.

CORPORATE ISSUES	<ul style="list-style-type: none"> Criminal Justice Act, 1993 Companies Act, 1985 and 1989 Insolvency Act, 1986 Company Directors Disqualification Act, 1986
STOCK EXCHANGE REQUIREMENTS FOR LISTED COMPANIES	<ul style="list-style-type: none"> Combined Code Listing rules Mergers and takeovers
SAFETY MATTERS	<ul style="list-style-type: none"> Health and Safety at Work Act, 1974 Regulations on controlling hazardous substances, 1994
EMPLOYMENT ISSUES	<ul style="list-style-type: none"> Unfair dismissal and statements of reasons for dismissal, 1999 Human Rights Act, 1998 Employment Relations Act, 1998 National Minimum Wage Act, 1998 Employment Rights (Dispute Resolution) Act, 1998 Employment Rights Act, 1996 Disability Discrimination Act, 1995 Pensions Act, 1995 Sunday Trading Act, 1994 Trade Union and Labor Relations (Consolidation) Act, 1992 Wages Act, 1986 Sex Discrimination Acts, 1975 and 1986 Race Relations Act, 1976 Equal Pay Act, 1970 Parental Leave Regulations Transfer of undertakings (protection of employment) regulations Regulations on time off for young people for study and training Regulations on compensation for unfair dismissal Regulations on trade union recognition Regulations on part-time workers

ANNEX 2. EXAMPLE OF LAWS THAT AFFECT CORPORATE DIRECTORS (CONT.)

ENVIRONMENTAL MATTERS	<ul style="list-style-type: none"> Environmental Act, 1995 Water Act, 1989 Town and Country Planning Act, 1974 Control of Pollution Act, 1974 Fire Precautions Act, 1971
INTELLECTUAL PROPERTY	<ul style="list-style-type: none"> Patents Act, 1977 Public Interest Disclosure Act, 1998 Data Protection Act, 1998
CONSUMER PROTECTION	<ul style="list-style-type: none"> Sales of Goods Act, 1979 Supply of Goods and Services Act, 1982 Consumer Protection Act, 1987 Trades Description Act, 1968 Consumer Credit Act, 1974
COMPETITION	<ul style="list-style-type: none"> Competition Act, 1998
FINANCIAL MATTERS	<ul style="list-style-type: none"> Financial Services Act, 2000 Late Payment of Commercial Debt Interest Act, 1998 Insolvency Act, 1986 Theft Act, 1968

ANNEX 3. THE GERMAN SCORECARD APPROACH

Christian Strenger, member of the German Government Commission on Corporate Governance and director of DWS Investment GmbH, described the German Scorecard approach as follows.

STRUCTURE AND CONTENT

1) Structure:

To allow an easy understanding and application of the Scorecard by the user, a concise structure has been sought. It contains on five pages a main body dedicated to the individual scoring process followed by a summary page which gives an overview by showing the partial scores achieved for each criterion as well as the total score. The main body of the Scorecard is divided into seven relevant criteria, which comply with the structure of the official 'German Corporate Governance Code.'

Every criterion comprises relevant points not exceeding a number of ten. All points directly relating to the 'German Corporate Governance Code' show the corresponding references in brackets.

As the Scorecard is in the first instance devised for analysts and investors, additional important issues of corporate governance not yet covered by the Code are also included. Thus current deficits from the investor's point of view in the 'German Corporate Governance Code' are being dealt with by the Scorecard (such points are clearly identifiable as they have no reference to the Code).

2) Content:

a) 'Corporate Governance-Commitment': This checks the extent how basic principles of good governance are anchored in the company, that its realization is achieved by a sufficiently neutral

corporate governance officer and that there is an ongoing commitment for adjusting to new developments and advances in governance standards.

b) 'Shareholders and the General Meeting':

The criterion reviews all relevant issues related to the equal treatment of shareholders, focusing on the existence of full voting rights and pre-emptive rights for shareholders in most circumstances of capital increases.

c) 'Cooperation between Management Board and Supervisory Board':

This sets the communication arrangements between Management Board and Supervisory Board.

d) 'Management Board':

The emphasis is on details of the compensation elements rewarding shareholder value orientation and excluding, for example, option repricing. The criterion also deals with practical conflicts of interest and own-account share dealing.

e) 'Supervisory Board':

Besides introducing a compensation element, depending on longer term profitability, conflicts of interest, qualification standards for Supervisory Board members and expert committees for complex tasks (particularly the audit committee) are the focus here.

f) 'Transparency':

Equal and regular information for all shareholders ('fair disclosure'), also via the Internet, as well as detailed analysis of deviations from previous targets, are key points here.

ANNEX 3. THE GERMAN SCORECARD APPROACH (CONT.)

g) 'Reporting and Audit of the Annual Financial Statements': Apart from demanding international accounting and auditing standards and full information on stock options, the criterion focuses particularly on sufficient independence of the auditor and his appropriate compensation, different accounting standards and internal and external information matters like maximum periods for publishing reports.

METHODOLOGY

1) The approach:

The scorecard should enable the user to evaluate corporate governance principles and practices in a quick but systematic fashion with a concise structure of the major criteria with relevant individual points.

2) Calculation and weighting of the scorecard:

The calculation and weighting of the scorecard should follow an easy path that gives standard weightings but also allows the reflection of individual weighting differences. The calculation should be menu-driven and follow proven methods like MS Excel standard software.

The conceptual approach to the evaluation question should reward the fulfillment of a good standard of governance and an active commitment with a possible score of 65% - 75%. The remaining percentage should be achievable if additional important governance items are fulfilled.

Taking the German Scorecard as the example: A company displaying an active 'Corporate Governance

Commitment' (first criterion) and fulfilling all 'Recommendations' of the 'German Corporate Governance Code', reaches a score of 75%. If the additional 'Suggestions' of the Code and additional 'best practice standards' are fulfilled, the maximum 'Total Score' of 100% can be achieved.

This 25% gap over the fulfillment of the 'Recommendations' is clearly meant to incentivise companies to pursue more than the 'Recommendations'. In first tests since the publication of the new Scorecard a few weeks ago, German companies with demanding governance standards reached scores between 80% and 95%.

For more information on the German Scorecard, go to www.dvfa.com.

ANNEX 4. SUMMARY OF GENERAL MOTORS' BOARD GUIDELINES

Following is a summary, prepared by the Center for International Private Enterprise, of the guidelines for the board of directors for General Motors. A complete text of the guidelines is available at www.gm.com.

SELECTION AND COMPOSITION OF THE BOARD

Board Membership Criteria

The Committee on Director Affairs is responsible for reviewing with the Board, on an annual basis, the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board. This assessment should include issues of diversity, age, skills such as understanding of manufacturing technologies, international background, etc. – all in a context of an assessment of the perceived needs of the Board at that point in time.

Selection and Orientation of New Directors

The Board itself should be responsible, in fact as well as procedure, for selecting its own members and in recommending them for election by the stockholders. The Board delegates the screening process involved to the Committee on Director Affairs with the direct input from the Chairman of the Board, as well as the Chief Executive Officer. The Board and the Company have a complete orientation process for new Directors that includes background material, meetings with senior management and visits to Company facilities.

Extending the Invitation to a Potential Director to Join the Board

The invitation to join the Board should be extended by the Board itself, by the Chairman of the Committee on Director Affairs (if the Chairman and CEO hold the same position), the Chairman of the Board, and the Chief Executive Officer of the Company.

BOARD LEADERSHIP

Selection of Chairman and CEO

The Board should be free to make this choice any way that seems best for the Company at a given point in time.

Therefore, the Board does not have a policy, one way or the other, on whether or not the role of the Chief Executive and Chairman should be separate and, if it is to be separate, whether the Chairman should be selected from the non-employee Directors or be an employee.

Lead Director Concept

The Board adopted a policy that it will have a Director selected by the outside Directors who will assume the responsibility of chairing the regularly scheduled meetings of outside Directors or other responsibilities which the outside Directors as a whole might designate from time to time.

Currently, this role is filled by the non-executive Chairman of the Board. Should the Company be organized in such a way that the Chairman is an employee of the Company, another director would be selected for this responsibility.

BOARD COMPOSITION AND PERFORMANCE

Size of the Board

The Board presently has 14 members. It is the sense of the Board that a size of 15 is about right. However, the Board would be willing to go to a somewhat larger size in order to accommodate the availability of an outstanding candidate(s).

ANNEX 4. SUMMARY OF GENERAL MOTORS' BOARD GUIDELINES (CONT.)

Mix of Inside and Outside Directors

The Board believes that as a matter of policy there should be a majority of independent Directors on the GM Board (as stipulated in By-law 2.12). The Board is willing to have members of Management, in addition to the Chief Executive Officer, as Directors. But the Board believes that Management should encourage senior managers to understand that Board membership is not necessary or a prerequisite to any higher management position in the Company. Managers other than the Chief Executive Officer currently attend Board meetings on a regular basis even though they are not members of the Board.

On matters of corporate governance, the Board assumes decisions will be made by the outside directors.

Board Definition of What Constitutes Independence for Outside Directors

GM's By-law defining independent directors was approved by the Board in January 1991. The Board believes there is no current relationship between any outside director and GM that would be construed in any way to compromise any Board member being designated independent. Compliance with the By-law is reviewed annually by the Committee on Director Affairs.

Former Chief Executive Officer's Board Membership

The Board believes this is a matter to be decided in an individual instance. It is assumed that when the Chief Executive Officer resigns from that position, he/she should offer his/her resignation from the Board at the same time. Whether the individual continues to serve on the Board is a matter for discussion at that time with the new Chief Executive Officer and the Board.

A former Chief Executive Officer serving on the Board will be considered an inside director for purposes of corporate governance.

Directors Who Change their Present Job Responsibility

It is the sense of the Board that individual directors who change the responsibility they held when they were elected to the Board should submit a letter of resignation to the Board.

It is not the sense of the Board that in every instance the Directors who retire or change from the position they held when they came on the Board should necessarily leave the Board. There should, however, be an opportunity for the Board, via the Committee of Director Affairs, to review the continued appropriateness of Board membership under these circumstances.

Term Limits

The Board does not believe it should establish term limits. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, they hold the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

As an alternative to term limits, the Committee on Director Affairs, in consultation with the Chief Executive Officer and the Chairman of the Board, will review each director's continuation on the Board every five years. This will also allow each director the opportunity to conveniently confirm his/her desire to continue as a member of the Board.

Retirement Age

It is the sense of the Board that the current retirement age of 70 is appropriate.

Board Compensation Review

It is appropriate for the staff of the Company to report once a year to the Committee on Director Affairs the status of GM Board compensation in relation to other large US companies. As part of a Director's total compensation and to create a direct linkage with corporate performance, the Board believes that a meaningful portion of a Director's compensation should be provided in common stock units.

Change in Board compensation, if any, should come at the suggestion of the Committee on Director Affairs, but with full discussion and concurrence by the Board.

Executive Sessions of Outside Directors

These outside Directors of the Board will meet in Executive Session three times each year. The format of these meetings will include a discussion with the Chief Executive Officer on each occasion.

Assessing the Board's Performance

The Committee on Director Affairs is responsible to report annually to the Board an assessment of the Board's performance. This will be discussed with the full Board. This should be done following the end of each fiscal year and at the same time as the report on Board membership criteria.

This assessment should be of the Board's contribution as a whole and specifically review areas in which the Board and/or the Management believes a better contribution could be made. Its purpose is to increase the effectiveness of the Board, not to target individual Board members.

Board Interaction with Institutional Investors, the Press, Customers, etc.

The Board believes that the Management speaks for General Motors. Individual Board members may, from time to time at the request of the Management, meet or otherwise communicate with various constituencies that are involved with General Motors. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman.

BOARD RELATIONSHIP TO SENIOR MANAGEMENT*Regular Attendance of Non-Directors at Board Meetings*

The Board is comfortable with the regular attendance at each Board meeting of non-Board members who are members of the President's Council.

Should the Chief Executive Officer want to add additional people as attendees on a regular basis, it is expected that this suggestion would be made to the Board for its concurrence.

Board Access to Senior Management

Board members have complete access to GM's Management.

It is assumed that Board members will use judgment to be sure that this contact is not distracting to the business operation of the Company and that such contact, if in writing, be copied to the Chief Executive and the Chairman.

Furthermore, the Board encourages the Management to, from time to time, bring managers into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas;

ANNEX 4. SUMMARY OF GENERAL MOTORS' BOARD GUIDELINES (CONT.)

and/or (b) represent managers with future potential that the senior management believes should be given exposure to the Board.

MEETING PROCEDURES

Selection of Agenda Items for Board Meetings

The Chairman of the Board and the Chief Executive Officer (if the Chairman is not Chief Executive Officer) will establish the agenda for each Board meeting.

Each Board member is free to suggest the inclusion of item(s) on the agenda.

Board Materials Distributed in Advance

It is the sense of the Board that information and data that are important to the Board's understanding of the business be distributed in writing to the Board before the Board meets. The Management will make every attempt to see that this material is as brief as possible while still providing the desired information.

Board Presentations

As a general rule, presentations on specific subjects should be sent to the Board members in advance so that Board meeting time may be conserved and discussion time focused on questions that the Board has about the material. On those occasions in which the subject matter is too sensitive to put on paper, the presentation will be discussed at the meeting.

COMMITTEE MATTERS

Number, Structure and Independence of Committees

The current Committee structure of the Company seems appropriate. There will, from time to time, be occasions in which the Board may want to form a new

Committee or disband a current Committee depending upon the circumstances. The current six Committees are Audit, Capital Stock, Director Affairs, Finance, Incentive and Compensation, and Public Policy. The Committee membership, with the exception of the Finance Committee, will consist only of independent Directors as stipulated in By-law 2.12.

Assignment and Rotation of Committee Members

The Committee on Director Affairs is responsible, after consultation with the Chief Executive Officer and with consideration of the desires of individual Board members, for the assignment of Board members to various Committees.

It is the sense of the Board that consideration should be given to rotating Committee members periodically at about a five-year interval, but the Board does not feel that such a rotation should be mandated as a policy since there may be reasons at a given point in time to maintain an individual Director's Committee membership for a longer period.

Frequency and Length of Committee Meetings

The Committee Chairman, in consultation with Committee members, will determine the frequency and length of the meetings of the Committee.

Committee Agenda

The Chairman of the Committee, in consultation with the appropriate members of management and staff, will develop the Committee's agenda.

Each Committee will issue a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be set). This forward agenda will also be shared with the Board.

LEADERSHIP DEVELOPMENT

Formal Evaluation of the Chief Executive Officer

The full Board (outside Directors) should make this evaluation annually, and it should be communicated to the Chief Executive Officer by the (non-executive) Chairman of the Board or the Lead Director.

The evaluation should be based on objective criteria including performance of the business, accomplishment of long-term strategic objectives, development of Management, etc.

The evaluation will be used by the Executive Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

Succession Planning

There should be an annual report by the Chief Executive Officer to the Board on succession planning. There should also be available, on a continuing basis, the Chief Executive Officer's recommendation as to his successor should he/she be unexpectedly disabled.

Management Development

There should be an annual report to the Board by the Chief Executive Officer on the Company's program for Management development.

This report should be given to the Board at the same time as the succession planning report, noted previously.

ANNEX 5. COMPARISON OF SELECTED CORPORATE GOVERNANCE CODES OF BEST PRACTICE

This comparison of selected corporate governance codes of best practice in the Americas, Europe, Asia, Africa, and Australia, is based on a framework developed by Holly Gregory of Weil, Gotshal and Manges in 2003. The selected codes as well as other major corporate governance codes not listed here can be downloaded from the European Corporate Governance Institute's electronic library at <http://www.ecgi.org/codes>.

AUSTRALIA	
NAME	Principles of Good Corporate Governance and Best Practice Recommendations
DATE	March 2003
ISSUING BODY	Australian Stock Exchange (ASX) Corporate Governance Council
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve company's performance, competitiveness, and access to capital • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Laying solid foundations for management and oversight • Structuring the board to add value • Promoting ethical and responsible decisionmaking • Safeguarding integrity in financial reporting • Making timely and balanced disclosure • Respecting the rights of shareholders • Recognizing and managing risk • Encouraging enhanced performance • Remunerating fairly and responsibly • Recognizing the legitimate interests of stakeholders
INTERNET ADDRESS	http://www.asx.com.au/about/pdf/asxrecommendations.pdf

BANGLADESH	
NAME	The Code of Corporate Governance for Bangladesh
DATE	March 2004
ISSUING BODY	Bangladesh Enterprise Institute Taskforce on Corporate Governance, composed of members from the private sector, the government, nongovernmental organizations (NGOs), and other bodies.
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVES	<ul style="list-style-type: none"> • Improve performance, competitiveness, and access to capital • Improve quality of governance related information available to capital markets
SCOPE	The private sector, financial institutions, state-owned enterprises, and NGOs
CONTENT	<ul style="list-style-type: none"> • Board issues • Role of shareholders • Financial reporting, auditing, and nonfinancial disclosures • Sector specific provisions for financial institutions and state-owned enterprises • Exhortations to other entities • NGO governance principles
INTERNET ADDRESS	http://www.gcgf.org/library/codes/bangladesh/Bangladesh_codes_corp_gov_mar2004.pdf

BELGIUM

NAME	Belgian Corporate Governance Code
DATE	December 2004
ISSUING BODY	Corporate Governance Committee (Lippens Committee)
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Support long-term value creation and sustainable growth • Improve quality of governance-related information available to capital markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Board of directors • Senior management • Shareholders • Disclosure
INTERNET ADDRESS	http://www.eccg.org/codes/country_documents/belgium/draft_code_dec2004_en.pdf

BRAZIL (1)

NAME	Recommendations on Corporate Governance
DATE	June 2002
ISSUING BODY	Securities and Exchange Commission of Brazil (CVM)
COMPLIANCE	Voluntary
OBJECTIVES	<ul style="list-style-type: none"> • Improve company performance, competitiveness, and access to capital • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Transparency of ownership and control; shareholders meetings • Structure and responsibilities of the board of directors • Minority shareholder protection • Accounting and auditing
INTERNET ADDRESS	http://www.cvm.gov.br/ingl/mapa/redir.asp?submenu=/ingl/public/submenu.asp&submain=/ingl/public/publ/governanca/recomen.doc

BRAZIL 2

NAME	Code of Best Practice for Corporate Governance
DATE	May 1999, revised March 2004
ISSUING BODY	Brazilian Institute for Corporate Governance (IBCG), a private-sector corporate governance association
COMPLIANCE	Voluntary
OBJECTIVES	<ul style="list-style-type: none">• Improve company performance, competitiveness, and access to capital• Improve quality of governance-related information available to equity markets
SCOPE	Companies
CONTENT	<ul style="list-style-type: none">• Ownership• Boards of directors• Management• Independent auditing• The fiscal council• Conduct and conflicts of interest
INTERNET ADDRESS	http://www.ibgc.org.br/imagens/stconteudoarquivos/ibgc%20code%203rd%20edition.pdf

CANADA (1)

NAME	Corporate Governance Guidelines for Building High-Performance Boards
DATE	January 2004
ISSUING BODY	Canadian Coalition for Good Governance, an institutional investors association
COMPLIANCE	Voluntary
OBJECTIVE	<ul style="list-style-type: none"> • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Individual directors, including quality motivation of board members, director ownership of shares, and appointing a majority of independent directors • Board structure, including separating board chair and CEO, establishing independence and mandates of board committees, and following audit committee requirements • Board processes, including evaluating performance of boards and committees, reviewing performance of individual board members, assessing CEO and succession planning, providing management oversight and strategic planning, overseeing management evaluation and compensation, and reporting governance policies and initiatives to shareholders
INTERNET ADDRESS	http://www.ccg.ca

CANADA (2)

NAME	Beyond Compliance: Building a Governance Culture (Saucier Report)
DATE	November 2001
ISSUING BODY	The Joint Committee on Corporate Governance, a committee related to the Toronto Stock Exchange
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve company's performance, competitiveness, and access to capital • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Improving board effectiveness • The importance of board independence • Controlling shareholders and publicly traded subsidiaries • A board mandate and disclosure • Audit committees and the Blue Ribbon Committee Report • Ongoing attention to governance
INTERNET ADDRESS	http://www.cica.ca/multimedia/download_library/research_guidance/risk_management_governance/governance_eng_nov26.pdf

CANADA (3)

NAME	Where Were the Directors? Guidelines for Improved Governance in Canada (Dey Report)
DATE	December 1994
ISSUING BODY	Toronto Stock Exchange Committee on Corporate Governance
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Board of directors • Committees of the board
INTERNET ADDRESS	http://www.ecgi.org/codes/country_documents/canada/dey.pdf

CHINA	
NAME	Code of Corporate Governance for Listed Companies in China
DATE	January 2002
ISSUING BODY	The China Securities Regulatory Commission and the State Economic and Trade Commission, commissions organized by the Government
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	<ul style="list-style-type: none"> • Improve company performance, competitiveness, and access to capital • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Shareholders and shareholder meetings • Listed companies and controlling shareholders • Directors and the board of directors • Supervisors and the supervisory board • Performance assessments and incentive and disciplinary systems • Stakeholders • Information disclosure and transparency
INTERNET ADDRESS	http://www.csrc.gov.cn

DENMARK

NAME	Recommendations for Good Corporate Governance in Denmark
DATE	December 2001
ISSUING BODY	The Norby Commission, a committee organized by government
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVE	Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies, but all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • The role of shareholders and their interaction with the management of the company • The role of the stakeholders and their importance to the company • Openness and transparency • The tasks and responsibility of the board • The composition of the board • Remuneration to the directors and managers • Risk management
INTERNET ADDRESS	www.corporategovernance.dk

FRANCE (1)

NAME	Promoting Better Corporate Governance in Listed Companies (Bouton Report)
DATE	September 2002
ISSUING BODIES	Association Francaise des Entreprises Privees (AFEP) and Association des Grandes Entreprises Franciases (AGREF)
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board (supervisory) governance • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • The role and operation of the board of directors • Composition of the board • Evaluation of the board • The audit committee • The nominating committee • The compensation committee • Strengthening the independence of statutory auditors • Financial information on accounting standards and practices
INTERNET ADDRESS	Available upon request at blserve@abanet.org

FRANCE (2)

NAME	Report of the Committee on Corporate Governance (Vienot II Report)
DATE	July 1999
RELATED DOCUMENTS	The Board of Directors in Listed Companies (Vienot I), July 1995
ISSUING BODIES	Association Francaise des Entreprises Privees (AFEP) and Association des Grandes Entreprises Franciases (AGREF)
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVE	Improve quality of board (supervisory) governance
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Separation of the offices of chairman and CEO • Disclosure of the compensation granted to corporate officers of listed companies • Disclosure of stock option or stock purchase plans in listed corporations
INTERNET ADDRESS	http://www.eycom.ch/corporate-governance/reference/pdfs/11/en.pdf

FRANCE (3)

NAME	The Board of Directors in Listed Companies (The Vienot I Report)
DATE	July 1995
ISSUING BODY	Conseil National du Patronat Francais (CNPF) and Association des Grandes Entreprises Franciases (AGREF)
COMPLIANCE	Voluntary
OBJECTIVE	Improve quality of board (supervisory) governance
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • The function of the board of directors • Duties and powers of the board of directors • Board membership • Operation of the board of directors
INTERNET ADDRESS	http://www.ecgi.org/codes/country_documents/france/vienot1_en.pdf

GERMANY

NAME	German Corporate Governance Code (Cromme Commission Code)
DATE	February 2002 (revised in May 2003)
ISSUING BODY	Government Commission for the German Corporate Governance Code
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies, but all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • Shareholders and the general meeting • Cooperation between the management board and the supervisory board • The management board • The supervisory board • Transparency • Reporting and the audit of annual financial statements
INTERNET ADDRESS	http://www.gurn.info/topic/corpgov/kdd03.pdf

INDIA

NAME	Report of the Committee on Corporate Governance
DATE	February 2000
ISSUING BODY	Securities and Exchange Board of India (SEBI)
COMPLIANCE	Specified recommendations are mandatory
OBJECTIVE	Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none">• Board of directors• Nominee directors• Chairman of the board• Audit committee• Remuneration committee• Accounting standards and financial reporting• Management• Shareholders
INTERNET ADDRESS	http://www.sebi.gov.in/commreport/corpgov.html

INDONESIA

NAME	Code for Good Corporate Governance
DATE	March 2001
ISSUING BODY	National Committee for Corporate Governance
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	Improve quality of board (supervisory) governance
SCOPE	Listed companies, state-owned enterprises, and companies utilizing public funds; all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • Shareholders • Board of commissioners (<i>Komisaris</i>) • Board of managing directors (<i>Direksi</i>) • Audit systems • Corporate secretary • Stakeholders • Disclosure • Confidentiality • Insider information • Business ethics and corruption • Donations • Compliance with health, safety, and environmental protection regulations • Equal employment opportunity
INTERNET ADDRESS	The code is available from the Jakarta Stock Exchange at http://www.jsx.co.id

ITALY

NAME	Report and Code of Conduct (Preda Report)
DATE	October 1999, revised July 2002, further revised May 2003
ISSUING BODY	Committee for the Corporate Governance of Listed Companies, a committee related to the stock exchange
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	<ul style="list-style-type: none"> • Improve company performance, competitiveness, and access to capital • Improve quality of governance-related information available to equity markets.
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • The role of the board of directors • Composition of the board of directors • Independent directors • The chairman of the board of directors • Information to be provided to the board of directors • Confidential information • Appointment of directors • Remuneration of directors • Internal control • Internal control committee • Transactions with related parties • Relations with institutional investors and other shareholders • Shareholders meetings • Members of the board of auditors
INTERNET ADDRESS	http://www.borsaitalia.it/opsmedia/pdf/8077.pdf

JAPAN (1)

NAME	Principles of Corporate Governance for Listed Companies
DATE	May 2004
ISSUING BODY	Tokyo Stock Exchange
COMPLIANCE	Voluntary (comply or explain)
OBJECTIVES	<ul style="list-style-type: none">• Improve quality of board (supervisory) governance• Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none">• Rights of shareholders• Equitable treatment of shareholders• Relationship with stakeholders in corporate governance• Disclosure and transparency• Responsibilities of board of directors, auditors or board of corporate auditors, and other relevant groups
INTERNET ADDRESS	http://www.tse.or.jp/english/listing/cg/principles.pdf

JAPAN (2)

NAME	Revised Corporate Governance Principles
DATE	May 1998, revised October 2001
ISSUING BODY	Japan Corporate Governance Committee, Corporate Governance Forum of Japan, a business and academic association
COMPLIANCE	Voluntary
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board (supervisory) governance • Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Mission and role of the board of directors • Mission and role of the committees established within the board of directors • Leadership responsibility of the CEO • Addressing shareholder derivative litigation • Securing fairness and transparency for executive management • Reporting to the shareholders and communicating with investors
INTERNET ADDRESS	http://www.jcgf.org/en/

KENYA	
NAME	Principles for Corporate Governance in Kenya and a sample Code of Best Practice for Corporate Governance
DATE	November 1999, revised July 2000
ISSUING BODY	Private Sector Initiative for Corporate Governance, a private-sector, nongovernmental body
COMPLIANCE	Voluntary
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board governance • Improve company performance, competitiveness, and access to capital
SCOPE	Companies
CONTENT	<ul style="list-style-type: none"> • Authority and duties of board members or shareholders • Leadership • Appointments to the board • Strategy and values • Structure and organization • Corporate performance, viability, and financial sustainability • Corporate compliance • Corporate communication • Accountability to members • Balance of powers • Internal control procedures • Assessment of performance of the board of directors • Induction and development of executive management • Adoption of technology and skills • Management of corporate risk • Corporate culture • Social and environmental responsibility • Recognition of utilization of professional skills and competencies • Recognition and protection of members' rights and obligations • Attention of the board
INTERNET ADDRESS	http://www.cipe.org/regional/africa/code.pdf

KOREA (REPUBLIC OF)

NAME	Code of Best Practice for Corporate Governance
DATE	September 1999
ISSUING BODY	Korean Committee on Corporate Governance, a nongovernmental body
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board (supervisory) governance • Set standards for review of Korean law
SCOPE	Listed companies, all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • Shareholders • Board of directors • Audit systems • Stakeholders • Management monitoring by the market
INTERNET ADDRESS	http://www.ecgi.org/codes/country_documents/korea/code_korea.pdf

MALAYSIA

NAME	Malaysian Code of Corporate Governance
DATE	March 2000
ISSUING BODY	The Securities Commission
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	<ul style="list-style-type: none"> • Improve company performance, competitiveness, and access to capital • Improve quality of board governance
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Directors • Directors' remuneration • Shareholders • Accountability and audit
INTERNET ADDRESS	http://www.acga-asia.org/loadfile.cfm?site_file_id=78

MEXICO

NAME	Corporate Governance Code for Mexico
DATE	June 1999
ISSUING BODY	El Consejo Coordinador Empresarial (CCE), a committee related to the Stock Exchange
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board (supervisory) governance • Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Board of directors, including recommendations on the functions, structure, operation, and duties of the board • Evaluating and compensating directors • Auditing • Finances and planning • Stockholder information
INTERNET ADDRESS	http://www.ecgi.org

NETHERLANDS (1)

NAME	The Dutch Corporate Governance Code (Tabaksblat Code)
DATE	December 2003
ISSUING BODY	Corporate Governance Committee
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVES	<ul style="list-style-type: none">• Improve quality of board (supervisory) governance• Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none">• Compliance and enforcement of the code• The management board• The supervisory board• Shareholders and general meetings of shareholders• The audit of the financial reporting and the position of the internal audit function and the external auditor
INTERNET ADDRESS	http://www.ecgi.org

NETHERLANDS (2)

NAME	Peters Code (Forty recommendations on corporate governance in the Netherlands)
DATE	June 1997
ISSUING BODY	Secretariat Committee on Corporate Governance, a committee related to the stock exchange and a business, industry and academic association
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVE	Improve quality of board (supervisory) governance
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • The supervisory board, including duties, profile, composition, appointment, and remuneration • Supervisory board procedures • The board of directors • Functioning of the general meeting of shareholders and the role of investors • Compliance with recommendations, auditors, and rating • Monitoring • Buyback of shares
INTERNET ADDRESS	http://www.ecgi.org

RUSSIAN FEDERATION

NAME	Russian Code of Corporate Conduct
DATE	April 2002
ISSUING BODY	The Coordination Council for Corporate Governance
COMPLIANCE	Voluntary (disclosure encouraged)
OBJECTIVE	Improve company performance, competitiveness, and access to capital
SCOPE	Joint stock companies, but all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • General shareholder meetings • Board of directors • Executive bodies of the company • Corporate secretary • Major corporate actions • Disclosure of information • Supervision of financial and business operations of the company • Dividends • Resolution of corporate conflicts
INTERNET ADDRESS	http://rid.ru

SOUTH AFRICA

NAME	King Report on Corporate Governance for South Africa (II)
RELATED DOCUMENTS	King Report on Corporate Governance for South Africa (I)
ISSUING BODY	The King Committee on Corporate Governance under the auspices of the Institute of Directors in South Africa
DATE	March 2002
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	Improve quality of board (supervisory) governance
SCOPE	Listed companies, banks, financial and insurance entities, and public sector enterprises and agencies; all other companies expected to consider applying the principles of this code as appropriate in their particular circumstances
CONTENT	<ul style="list-style-type: none"> • Boards and directors • Risk management • Internal audit • Integrated sustainability reporting • Accounting and auditing • Compliance and enforcement • Role of the media • Encouraging shareholder activism • The role of the organized business • Enforcement in other jurisdictions
INTERNET ADDRESS	Available from www.iodsa.co.za

SPAIN (1)

NAME	Report to Foster Transparency and Security in the Markets and in Listed Companies (Aldama Report)
DATE	January 2003
ISSUING BODY	Special commission established by the government
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board governance • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • The principle of transparency and the duty of disclosure • The principle of security and the duty of loyalty • Directors' responsibilities • Shareholders' meetings • Board of directors • Composition of the board of directors • The chairperson of the board of directors • Board of directors commissions • Remuneration of the board and senior management • Drafting of the annual accounts and half-yearly and quarterly reports • Professional service providers
INTERNET ADDRESS	http://www.ecgi.org

SPAIN (2)

NAME	The Governance of Spanish Companies (Olivencia Report)
DATE	February 1998
ISSUING BODY	Special committee for the study of a code of corporate governance for boards of directors of listed companies, a committee organized by the government
COMPLIANCE	Voluntary
OBJECTIVE	Improve company performance, competitiveness, and access to capital
SCOPE	Listed companies and other privatized companies
CONTENT	<ul style="list-style-type: none"> • The board of directors' mission • Composition of the board of directors • Structure of the board of directors • The working of the board of directors • Appointment and removal of directors • Directors' powers regarding information • Director remuneration • The director's duty of loyalty • The board of directors and the shareholders • Relations between boards and markets • Relations between the board and the auditors • Adoption and publication of the rules of governance
INTERNET ADDRESS	http://www.cnmv.es/delfos/tendencias/espa%f1a3.htm

SWEDEN

NAME	Swedish Code of Corporate Governance
DATE	December 2004
ISSUING BODY	The Code Group (the Asbrink Committee) a committee appointed by the government
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board governance • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • The shareholders' meeting • Appointing the board and the auditor • The board of directors • Senior management • Auditors
INTERNET ADDRESS	http://www.sweden.gov.se/sb/d4089/a/26296

SWITZERLAND

NAME	Swiss Code of Best Practice (Bockli Report)
DATE	June 2002
ISSUING BODY	Swiss Business Federation (Economiesuisse)
COMPLIANCE	Voluntary
OBJECTIVE	Improve quality of board (supervisory) governance
SCOPE	Listed companies, but all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • Shareholders • Board of directors and executive management • Auditing • Disclosure
INTERNET ADDRESS	http://www.economiesuisse.ch

UNITED KINGDOM (1)

NAME	The Combined Code
DATE	July 1998, revised July 2003
RELATED DOCUMENTS	<ul style="list-style-type: none"> • Report of the Committee on the Financial Aspects of Corporate Governance (Cadbury Code) • Greenbury Report • Hampel Report
ISSUING BODY	The Financial Reporting Council (FRC)
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVE	<ul style="list-style-type: none"> • Improve quality of board governance • Improve quality of governance-related information available to equity markets • Improve investor confidence by raising standards of corporate governance
SCOPE	Listed companies
CONTENT	<ul style="list-style-type: none"> • Companies, including directors, remuneration, accountability and audit, and relations with shareholders • Institutional shareholders
INTERNET ADDRESS	http://www.asb.org.uk/documents/pdf/combinedcodefinal.pdf

UNITED KINGDOM (2)

NAME	Report of the Committee on the Financial Aspects of Corporate Governance (Cadbury Code)
DATE	December 1992
ISSUING BODY	The Committee on the Financial Aspects of Corporate Governance established by the Stock Exchange
COMPLIANCE	Disclosure (comply or explain)
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board governance • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies, but other companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • The board • Auditing • Shareholders
INTERNET ADDRESS	http://www.ecgi.org/codes/country_documents/uk/cadbury.pdf

UNITED STATES

NAME	Principles of Corporate Governance
DATE	May 2002, revised April 2003
ISSUING BODY	Business Roundtable
COMPLIANCE	Voluntary
OBJECTIVES	<ul style="list-style-type: none"> • Improve quality of board (supervisory) governance • Improve quality of governance-related information available to equity markets
SCOPE	Listed companies, but all companies encouraged to comply as relevant
CONTENT	<ul style="list-style-type: none"> • Key corporate actors • Roles of the board of directors and management • How the board performs its oversight function • Relationships with stockholders and other constituencies
INTERNET ADDRESS	http://www.brt.org/pdf/704.pdf



Global Corporate Governance Forum

2121 Pennsylvania Avenue, NW,
Washington DC, 20433 USA

<http://www.gcgf.org>

cgsecretariat@ifc.org

Co-founded by the World Bank Group and the Organisation for Economic Co-operation and Development, the Global Corporate Governance Forum is an advocate, a supporter, and a disseminator of high standards and practices of corporate governance in developing countries and transition economies. The Forum's donors include the International Finance Corporation and the governments of France, India, Luxembourg, Norway, Sweden, Switzerland, and the United States.

PRINTED ON RECYCLED PAPER